| | | HEADQUARTERS FILE NO. |
|---|---|---|
| **TO** Chief, WE (ATTN: Chief, WE/4) <br> **INFO** <br> Chief, NE | | ☐               ☐ <br> 43-6-57 |
| **FROM** Chief ☐          ☐ | | **DATE** 11 May 1960 |
| **SUBJECT** Operational <br> Termination of DESDEMONA | | **RE: "43-3" — (CHECK "X" ONE)** <br> MARKED FOR INDEXING <br> X  NO INDEXING REQUIRED |
| **ACTION REQUIRED** Headquarters comments as appropriate | | INDEXING CAN BE JUDGED <br> BY QUALIFIED HQ. DESK ONLY |

**REFERENCE(S)**

A) OIRW-16442 (4 February 1960) KAPOK-1524
B) OIRA-20826 (17 July 1959)

1.    In the light of referenced dispatch we have made a careful review of the DESDEMONA file in an effort to arrive at a fair and equitable solution of this problem. Our file here is admittedly incomplete, not covering the period from 1946 to 1954. Since 1954 we have been able to find only one favorable comment on DESDEMONA's performance as an intelligence agent; this comment, which was made by a case officer in Bandung who experienced considerable difficulty in communicating with DESDEMONA for language reasons, does not appear to have been shared by his Headquarters Desk following more thorough examination of material submitted by DESDEMONA on the Bandung conference.

2.    Our files since 1954 reflect several instances where there appears to be reason to wonder to what extent DESDEMONA was acting in good faith with ☐         ☐. Specifically, these items refer to apparent attempts to pad his expense accounts substantially and a seeming effort to mislead his case officer with respect to his plans to take his niece with him on his trip to Libya.

3.    It would seem to us that the termination settlement proposed in Reference B and full concurred in by Headquarters, as indicated in para 4 of reference A, constituted "a generous settlement".

4.    In the light of all the aspects of this problem of which we are aware, it does not appear to us that we are under any moral obligation to make any further contribution to DESDEMONA's support. (This, we repeat, is said in the absence of the file covering the period 1946-1954, which might conceivably throw a different light on the matter.)

5.    In the absence, as we see it, of a moral obligation to DESDEMONA we are not entirely clear as to why additional payments should be made to him. While we agree up to a certain point that we cannot "afford to build up resentments, justified or unjustified," we agree even more that we cannot "place ourselves in a position of being perpetually blackmailed". If DESDEMONA is able and disposed to cause us any serious harm, we should appreciate having necessary details so that we may take appropriate action in an effort to protect KUBARK interests.

6.    Beyond that and based on the file as we have seen it, we cannot help wondering if a settlement "which DESDEMONA would regard as more or less satisfactory" would be "just and reasonable." In any event, the ball is now in DESDEMONA's court, inasmuch as he told ☐   ☐ on 24 March 1960 that he would write some sort of statement and pass it on to ☐   ☐; since that date nothing further has been heard from him.

7.    With reference to the letter prepared by ☐   ☐ (which in our view could hardly be interpreted as other than an invitation to DESDEMONA to write his own ticket — within reason , of course), it has not appeared necessary — or from ☐      ☐ point of view desirable — to give it to DESDEMONA in view of his statement to ☐   ☐ that he had heard from ☐   ☐ who had suggested that he draw up a statement of what he considered would be a reasonable settlement in view of his long service. In reply to ☐   ☐'s inquiry as to whether ☐   ☐ had written him, DESDEMONA first hesitated and then replied that the message had been conveyed to him by his niece.

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8.  As is clear from the above we are not now taking any further action on this matter but are awaiting the statement promised by DESDEMONA on 24 March before reaching any decision.  We had expected to hear from him before this.  In the absence of any communication from him, and so that Headquarters may be able to set us straight with respect to any essential elements in this situation of which we are not here aware, we submit this present dispatch.  Even should we receive a reply from DESDEMONA before Headquarters has had an opportunity to answer it, we shall take no final action until we have had the benefit of Headquarters' further commentary.

11 May 1960

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